

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Consumer Information and Disclosure)	CG Docket No. 09-158
)	
Truth-in-Billing and Billing Format)	CC Docket No. 98-170
)	
IP-Enabled Services)	WC Docket No. 04-36
)	

**COMMENTS OF THE CITY OF CHICAGO'S
DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION**

The City of Chicago's (the "City") Department of Business Affairs and Consumer Protection ("BACP") ensures a fair and vibrant marketplace for businesses and consumers in Chicago. In submitting these comments, BACP draws upon its experience in cable communications and consumer education.

First, with respect to cable and video service, data from Chicago demonstrates the need for the Federal Communications Commission (the "Commission") to strengthen point-of-sale disclosures. Second, the Commission should utilize local governments as valuable resources in consumer outreach and education. Third, the Commission should share authority to resolve disputes with local units of government.

BACP's comments provide a local government's perspective.

Chicago is home to roughly 2.8 million people.¹ Often called the "City of Neighborhoods" because of its diverse citizenship, Chicago's residents are widely representative of the United States population as a whole.

BACP occupies a central role in Chicago. The City has charged it with ensuring a fair and vibrant marketplace for businesses and consumers in Chicago and BACP does so in several ways: it advocates for

¹ U.S. Census Bureau News, State and County QuickFacts, available at: <http://quickfacts.census.gov/qfd/states/17/1714000.html> (last visited October 16, 2009).

businesses and consumers to facilitate their interactions with City departments;² it educates Chicago businesses and consumers;³ and it enforces consumer protection provisions of local and state cable franchises.^{4 5}

Data from Chicago shows that consumers do not fully understand prices associated with cable services.

In enforcing the consumer protection components of local and state cable franchises, BACP administers a complaint resolution process. All Chicago residents who purchase cable service in Chicago can file a complaint with BACP regarding their cable provider or cable service. To do so, Chicago residents can call 311, the City's non-emergency telephone number. Cable providers alert Chicago consumers to BACP's cable complaint process by placing notice on their monthly bills.

When a Chicago consumer files a cable complaint, BACP categorizes the complaint into one of several categories. Complaint categories range from the technical, to the customer-oriented, to the result of circumstances wholly outside the control of providers. Such categories include: "billing problem," "cable company cannot be reached by telephone," "illegal connection," "poor reception," "unkept appointment," "vandalism," and "cable wire down / hanging low."

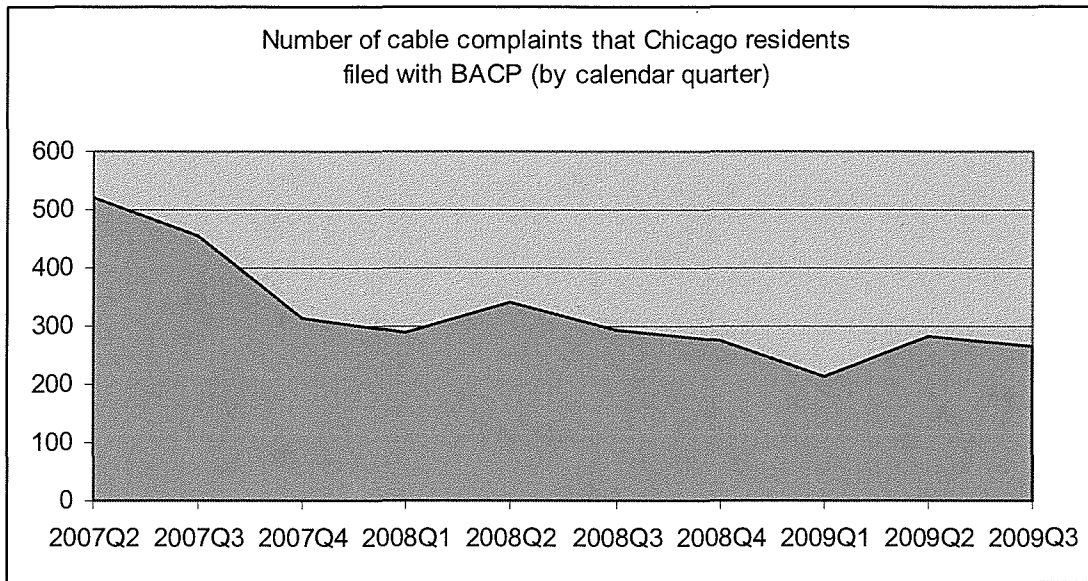
Over the past 10 calendar quarters, from April 1, 2007 to September 30, 2009, Chicago consumers filed a total of 6,154 BACP cable-related complaints of any category. In general, the number of complaints has trended downward during that time: from 522 complaints in the fourth quarter of 2007 to half that number – 264 complaints – in the third quarter of 2009.

² Municipal Code of Chicago ("MCC"), § 2-25-050(b)(2).

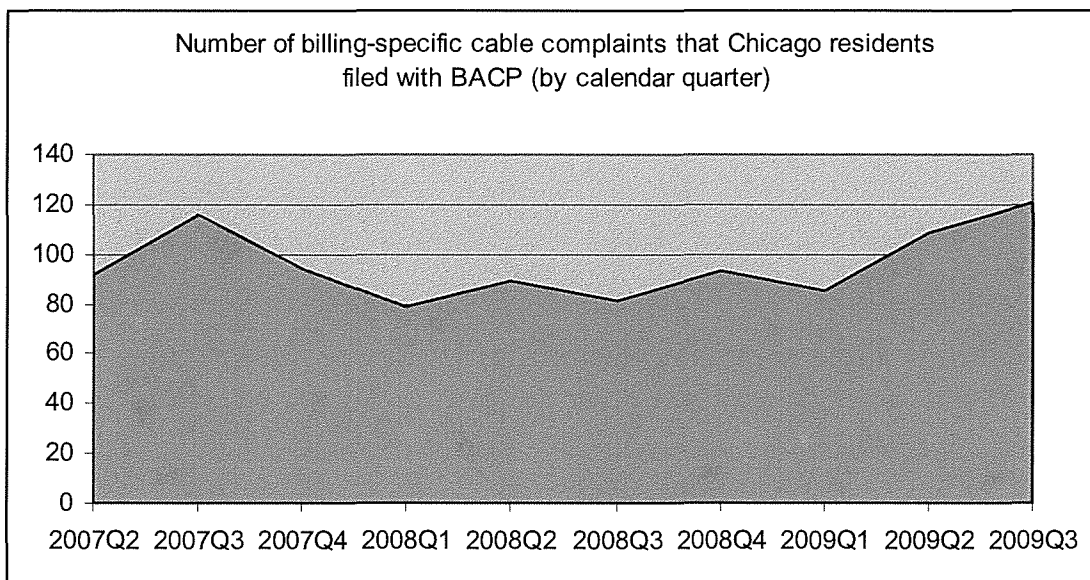
³ MCC, § 2-25-050(b)(17).

⁴ MCC, § 2-25-050(b)(23); see also MCC, § 4-280-720.

⁵ In 2007, the Illinois legislature gave cable and video providers the option of obtaining a state franchise to provide video services, rather than a local franchise. See generally Cable and Video Competition Law of 2007, 220 ILCS 5/21-100 et seq. Although state franchisees do not have the universal build-out or disadvantaged business requirements that local franchisees have, both local and state franchisees must adhere to consumer protection requirements in Chicago. See MCC, § 4-280-720; see also Cable and Video Protection Law, 220 ILCS 5/22-501 et seq.

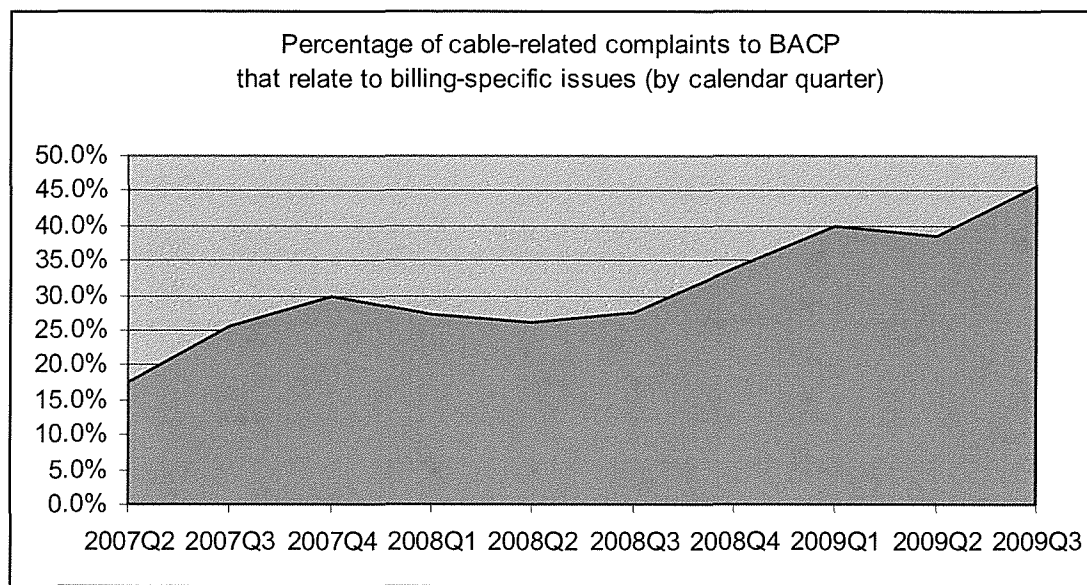


While the overall number of BACP's cable-related complaints has trended downward over the past two and one half years, the overall number of billing-specific complaints has remained relatively constant during that same time. During each of the past 10 calendar quarters, Chicago consumers filed an average of 96 billing-specific complaints with BACP.



Accordingly, when viewed in relationship as a percentage of cable-related complaints, over the past two and one half years Chicago cable subscribers have increasingly complained to BACP about billing-specific problems. BACP does not keep exact statistics on the breakdown of these billing-specific

complaints; however, a significant number allege overcharged services, unexplained variations in monthly billing amounts, actual costs of services higher than advertised costs of services, and charges for unrequested services. It is BACP's experience that Chicago cable companies are generally responsive to complaints in BACP's complaint process.



Whatever the cause of these billing-specific complaints, it is clear that there is an increasing divide between cable providers' charges and amounts that consumers believe they owe. For purposes of reducing this divide, it should not matter whether providers' are wrongfully imposing charges or whether consumers' are misinformed about their terms of services. By mandating the clear and consistent disclosure of service pricing, the Commission can place providers and consumers on the same page and reduce the overall number of billing disputes.

*The Commission should view partnerships with local units of government
as valuable resources in educating consumers.*

As part of BACP's mission to educate businesses and consumers, BACP frequently organizes or participates in community outreach events. BACP staff reaches out to businesses and consumers at a wide array of locations: at senior centers, conventions, park district buildings, public schools, festivals, police stations, and community colleges.

Local government agencies like BACP are effective channels for the Commission to reach consumers. The DTV transition was a prime example of the Commission taking advantage of this resource. The Commission effectively partnered with the City and other stakeholders when it held its DTV transition town hall meetings throughout Chicago. Additionally, at a joint outreach effort in Chicago's City Hall, the FCC and BACP together educated thousands of Chicago residents about the DTV transition and registered hundreds more for converter box coupons.

BACP urges the Commission to build upon its past successes through further partnership with local units of government. While the Commission certainly has expertise in areas of communications, local government has an immediate relationship to its citizens that federal levels of government cannot always duplicate. Merging local relationships with the Commission's expertise should be a key component to educating consumers of communications services.

*The Commission should delegate share authority to resolve disputes
with local units of government.*

In its Notice of Inquiry, the Commission has recognized that many consumers are unaware of the Commission's dispute process.⁶ BACP urges the Commission to utilize affected local units of government as available resources. As shown above, significant numbers of Chicago consumers are aware of the City's dispute resolution process.

The Commission should not regard affected local governments as competing authorities, but should instead view them as partners. When governments across the country are suffering from resources, concentrating responsibility rather than dispersing it could create unnecessary backlogs. Delegation of authority would take advantage of already existing local resources. To that end, the Commission should share the authority to resolve disputes.

The City anticipates that some providers would argue that a delegation of authority could promote inconsistent consumer protection across localities; however, this need not be the case. The Commission

⁶ See *In the Matter of Consumer Information and Disclosure, Truth-in-Billing and Billing Format, IP-Enabled Services*, CG Docket 09-158, CC Docket No. 98-170, WC Docket No. 04-36, Notice of Inquiry, FCC 09-68, at ¶ 51 (rel. Aug. 28, 2009).

could always standardize the substantive protections itself, but simply share the authority to resolve these uniform protections with multiple, dispersed, local agencies.

Respectfully submitted,

 /s/
Norma I. Reyes, Commissioner
Department of Business Affairs and Consumer Protection
City of Chicago

October 16, 2009